

## STORMWATER

### SUMMARY OF RATE INCREASES\*

#### Rates per Impervious Unit (IU)

- 2007: 44% increase from \$11.50 to \$16.56
  - 2008: no increase
- } Projected to generate an additional \$6.3 million in revenue.
- Preliminary forecast for 2009-2010: 11% increase from \$16.56 to \$18.36 (subject to change)

#### Breakdown of Rate Revenue Projected

- \$16.56 rate projected to generate \$20.7 million in 2007-2008 and is allocated as follows:
  - Operations: \$10.4 million
  - Capital Program:
    - o Depreciation/Replacement: \$2.2 million
    - o Debt Service: \$8.1 million
  - Will consume majority of CIP revenues leaving very little available for future projects.

#### Capital Facility Charges (CFC)

- Citywide CFC
  - Applies to Citywide new and re-development that adds impervious area.
  - Increase from \$400 per IU to \$958 per IU: generates \$1.2 million for 2007-2008.
- Additional Downtown Sub-Area CFC
  - Applies to downtown new and re-development in lieu of on-site requirements.
  - Proposes \$4,292 per IU: generates \$1.6 million for 2007-2008.

#### Regional Rate/CFC Comparison

City	Monthly SFR Charge	CFC
Duvall	\$16.92	\$201.65
<b>Redmond -- Proposed</b>	<b>16.56</b>	<b>958.00</b>
Kirkland	14.15	481.00
Sammamish	12.50	570.00
North Bend	12.36	550.00
Mercer Island	12.30	7466.00
Bellevue	12.08      ↑	n/a
<b>Redmond -- Current</b>	<b>11.50</b>	<b>400.00</b>
Seattle	11.34      ↑	n/a
Issaquah	10.33      ↑	1520.00
King County	8.50	n/a
Bothell	6.28      ↑	n/a
Monroe	6.00	n/a
Renton	5.55      ↑	759.00

\*\* Additional charge to apply in downtown

↑ Rates forecasted to increase for 2007

*\*Information from FCS Rate Study presented to Council on July 25, 2006*

## STORMWATER

### DESCRIPTION OF NEW PROGRAMS

No new programs were authorized for this fund.

### DESCRIPTION OF DEBT

#### Moving Downtown Forward

- \$40 million Stormwater Revenue Bond in 2007.
  - Term: 20 year
  - Interest Rate: 6.25%
  - Debt Service: \$4,038,977 in 2007 and 2008
- Addresses Stormwater issues in Downtown sub-area (details included in the excerpts from the FCS rate study section).

## STORMWATER

# EXCERPTS FROM THE FCS GROUP RATE STUDY

### Background

- Stormwater must comply with local, state, and federal mandates.
- Current rate: partially regulatory compliance
  - \$11.50 rate projected to generate \$7.05 million in 2006
    - Operations: \$7.00
    - Capital Program: \$4.50 (\$1.50 restricted, \$3.35 unrestricted)

### Upcoming Needs

- Operations Summary
  1. Operations & Maintenance Program
    - Stormwater system cleaning, maintenance, inspection, repair & replacement
    - Emergency, after hours & spill response
    - Decant facility operation
    - Citizen response (100-125/year)
  2. Engineering & Administration
    - Capital project & program administration
    - Environmental compliance, inspection & enforcement
    - Community education & stewardship
    - Stormwater billing & account administration
    - Stormwater system mapping & GIS services
    - Project & program monitoring
    - Water quality monitoring
    - Illicit discharge detection & elimination
    - Public project stormwater review
    - Comprehensive, basin and master planning
    - Review & compliance with regional, state & federal mandates
  3. Development Services
    - Private project stormwater review
    - Administration of stormwater design standards & code requirements
- Capital Summary: \$197 million in known and forecasted needs
  - Forecasted: \$100 million
  - Citywide: \$57 million for 138 projects
  - Downtown Sub-area: \$40 million

### Downtown Sub-Area

- Options to Address:

Status Quo – Site by site mitigation

or

Sub-area approach



- Benefits of Sub-Area approach for Downtown
  - Less Expensive to Build
  - Less Expensive to Maintain
  - Maximization of Developable Area Downtown
  - More Effective Treatment
  - More Effective Maintenance
  - Quicker Regulatory Compliance
  - Allows Greater Redevelopment Flexibility
- Downtown Sub-Area Project List (\$37.5 million in identified projects; \$40 million debt issue proposed):
  - 85<sup>th</sup> St. WQ Facility (\$7.6 million)
    - o Provides WQ treatment for the entire watershed (including City roads).
  - Redmond Way Trunk WQ Facility (\$4.6 million)
    - o Provides WQ treatment for the Redmond Way Storm Trunk.
  - Luke McRedmond Media Filter Vault (\$1.6 million)
    - o Provides WQ treatment for the Redmond Way Storm Trunk.
  - Redmond Way Storm Trunk (\$22.5 million)
    - o Conveys all water directly to the Sammamish River, eliminating the need for onsite detention facilities downtown.
  - Leary Way SW Treatment Wetland (\$0.5 million)
    - o Retrofits and expands an existing SW facility to meet current regulations and growth.
  - Safeway/Bear Creek WQ Facility (\$0.7 million)
    - o Diverts and treats stormwater to Bear Creek, eliminating the need for stormwater detention.

## STORMWATER MANAGEMENT FUND

### REVENUE REPORT

<b>STORMWATER</b>	<b>2005-2006 Budget</b>	<b>2007-2008 Final</b>	<b>Budget to Budget Difference</b>	<b>2-year % change</b>	<b>1-year % change</b>
Beginning Fund Balance	\$1,065,714	\$784,700	(\$281,014)	-26.4%	-13.2%
Stormwater Management Fees	\$14,030,267	\$26,519,018	\$12,488,751	89.0%	44.5%
Engineering Fees	\$225,801	\$236,314	\$10,513	4.7%	2.3%
Investment Interest	\$32,524	\$32,524	\$0	0.0%	0.0%
Debt Proceeds	\$0	\$40,000,000	\$40,000,000	n/a	n/a
Other Revenues	\$2,214	\$1,489	(\$725)	-32.7%	-16.4%
<b>Grand Total</b>	<b>\$15,356,520</b>	<b>\$67,574,045</b>	<b>\$52,217,525</b>	<b>340.0%</b>	<b>170.0%</b>

# STORMWATER MANAGEMENT FUND

## EXPENDITURE REPORT

	2005-2006 Budget	2007-2008 Budget	Budget to Budget Difference	2-year % change	1-year % change
<b>STORMWATER</b>					
<b>Salaries</b>					
Salaries and Wages	\$3,170,712	\$3,974,065	\$803,353	25.3%	12.7%
Overtime	\$36,142	\$34,137	(\$2,005)	-5.5%	-2.8%
Supplemental Help	\$104,000	\$110,274	\$6,274	6.0%	3.0%
Other Compensation	\$600	\$607	\$7	1.2%	0.6%
<b>Salaries Total</b>	<b>\$3,311,454</b>	<b>\$4,119,083</b>	<b>\$807,629</b>	<b>24.4%</b>	<b>12.2%</b>
<b>Benefits</b>					
MEBT	\$307,657	\$337,701	\$30,044	9.8%	4.9%
PERS	\$65,428	\$298,725	\$233,297	356.6%	178.3%
Benefits - Medical Premiums	\$675,724	\$794,587	\$118,863	17.6%	8.8%
Benefits - Worker's Compensation	\$74,228	\$82,006	\$7,778	10.5%	5.2%
Other Benefits	(\$276,248)	(\$300,114)	(\$23,866)	8.6%	4.3%
<b>Benefits Total</b>	<b>\$846,789</b>	<b>\$1,212,905</b>	<b>\$366,116</b>	<b>43.2%</b>	<b>21.6%</b>
<b>Supplies</b>					
Fuel	\$0	\$1,000	\$1,000	n/a	n/a
Small Tools/Equip/Hardw/Software	\$62,500	\$75,467	\$12,967	20.7%	10.4%
Office and Other Supplies	\$21,500	\$21,700	\$200	0.9%	0.5%
<b>Supplies Total</b>	<b>\$84,000</b>	<b>\$98,167</b>	<b>\$14,167</b>	<b>16.9%</b>	<b>8.4%</b>
<b>Professional Services</b>					
Repairs/Maintenance Supplies	\$178,000	\$180,000	\$2,000	1.1%	0.6%
Professional Services	\$1,254,678	\$1,124,450	(\$130,228)	-10.4%	-5.2%
Legal Services	\$3,500	\$5,000	\$1,500	42.9%	21.4%
Communications	\$24,417	\$25,295	\$878	3.6%	1.8%
Travel	\$8,500	\$8,500	\$0	0.0%	0.0%
Utilities	\$92,000	\$78,000	(\$14,000)	-15.2%	-7.6%
Repairs - Outside	\$147,000	\$215,000	\$68,000	46.3%	23.1%
Other Services and Charges	\$243,190	\$96,000	(\$147,190)	-60.5%	-30.3%
<b>Professional Services Total</b>	<b>\$1,951,285</b>	<b>\$1,732,245</b>	<b>(\$219,040)</b>	<b>-11.2%</b>	<b>-5.6%</b>
<b>Intergovernmental Services</b>					
Intergovernmental	\$317,603	\$370,786	\$53,183	16.7%	8.4%
Debt Service	\$37,219	\$8,192,645	\$8,155,426	21912.0%	10956.0%
<b>Intergovernmental Services Total</b>	<b>\$354,822</b>	<b>\$8,563,431</b>	<b>\$8,208,609</b>	<b>2313.4%</b>	<b>1156.7%</b>
<b>Interfund Transfers</b>					
Depreciation Xsfr	\$1,133,504	\$2,199,246	\$1,065,742	94.0%	47.0%
Interfund - General Fund	\$1,599,624	\$1,721,055	\$121,431	7.6%	3.8%
Interfund - Info Technology	\$720,612	\$671,388	(\$49,224)	-6.8%	-3.4%
Interfund - Insurance Premiums	\$104,587	\$97,538	(\$7,049)	-6.7%	-3.4%
Interfund - Fleet	\$444,564	\$575,834	\$131,270	29.5%	14.8%
Interfund - Other	\$177,565	\$511,933	\$334,368	188.3%	94.2%
Transfer to CIP - Operating & Bond Proceeds	\$3,991,712	\$40,000,000	\$36,008,288	902.1%	451.0%
<b>Interfund Transfers Total</b>	<b>\$8,172,168</b>	<b>\$45,776,994</b>	<b>\$37,604,826</b>	<b>460.2%</b>	<b>230.1%</b>
<b>Capital Purchases</b>					
Capital Outlay	\$67,500	\$0	(\$67,500)	-100.0%	-50.0%
<b>Capital Purchases Total</b>	<b>\$67,500</b>	<b>\$0</b>	<b>(\$67,500)</b>	<b>-100.0%</b>	<b>-50.0%</b>
<b>Ending Fund Balance</b>					
Ending Fund Balance	\$482,680	\$5,978,548	\$5,495,868	1138.6%	569.3%
Salary and Benefit Contingency	\$85,822	\$92,672	\$6,850	8.0%	4.0%
<b>Ending Fund Balance Total</b>	<b>\$568,502</b>	<b>\$6,071,220</b>	<b>\$5,502,718</b>	<b>967.9%</b>	<b>484.0%</b>
<b>Grand Total</b>	<b>\$15,356,520</b>	<b>\$67,574,045</b>	<b>\$52,217,525</b>	<b>340.0%</b>	<b>170.0%</b>